

INFO	LOG-00	EEB-00	AF-00	AID-00	CEA-01	CIAE-00	COME-00
	CTME-00	INL-00	DINT-00	DODE-00	DOEE-00	DOTE-00	PERC-00
	PDI-00	DS-00	DHSE-00	EUR-00	EXIM-01	E-00	FAAE-00
	VCI-00	FRB-00	H-00	TEDE-00	INR-00	IO-00	ITC-01
	L-00	MOFM-00	MOF-00	VCIE-00	DCP-00	NRC-00	NSAE-00
	ISN-00	OES-00	OIC-00	OMB-00	NIMA-00	MCC-00	PM-00
	GIWI-00	PRS-00	ISNE-00	DOHS-00	FMPC-00	SP-00	IRM-00
	SSO-00	SS-00	STR-00	TRSE-00	EVR-00	NCTC-00	BBG-00
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C O N F I D E N T I A L ULAANBAATAR 000283

STATE FOR EAP/CM AND FOR SCA/INS

E.O. 12958: DECL: 09/25/2019
 TAGS: [PREL](#) [SCUL](#) [ENRG](#) [ECON](#) [MG](#)
 SUBJECT: MONGOLIAN PRESIDENT TALKS EDUCATION, URANIUM, AND
 BUDGETARY ASSISTANCE IN INDIA

Classified By: Political Section Chief Andrew K. Covington, Reasons 1.4
 (b) and (d)

¶1. (C) Summary: We met with Director Ganbold of the Asia Department at the Ministry of Foreign Affairs and Trade (MFAT) on September 22 to discuss President Elbegdorj's recently completed travel to India. This was Elbegdorj's first trip abroad as president. Ganbold stated the primary focus of the trip was educational exchanges and opportunities, but that trade (especially regarding uranium), budgetary assistance, investment, and agriculture also figured prominently. Mongolia and India signed a memorandum of understanding on the supply of uranium to India and will continue to discuss the role India may play in Mongolia's nuclear energy plans. Ganbold also confirmed that India is providing \$25 million in soft loans to Mongolia for budget support. End Summary.

 BACKGROUND ON THE TRIP

¶2. (SBU) President Elbegdorj traveled to New Delhi, Agra, Gaya, and Mumbai in India from September 13 to 17 as his first official travel abroad since his June 18 inauguration. Accompanying him were his wife, Bolormaa; Foreign Minister Batbold; Education, Culture and Science Minister Otgonbayar; Presidential Chief of Staff Dorligjav; National Security Advisor Batchimeg; Public Relations Advisor Ganbaatar; Security and Foreign Policy Standing Committee Chair and MP [U. Enkhbold](#) (DP); Mongolia-India Interparliamentary Group Chair and MP D. Odbayar (MPRP); former PM and current MP Amarjargal (DP), and MFAT Asia Department Director Ganbold.

¶3. (C) Ganbold confirmed that the selection of India as Elbegdorj's first destination as president was officially due to India being the first country to invite Elbegdorj for an official visit after his election, which conveniently eliminated the problem of choosing between Mongolia's two giant neighbors - Russia or China - for his first official foreign visit. (Note: Elbegdorj departed Mongolia for the UNGA on September 20 on his second official trip abroad. End Note.)

EDUCATIONAL EXCHANGES

¶4. (SBU) Ganbold stated that educational and cultural exchanges were the central focus of the trip. A key element was Mongolia's request for funding to expand enrolment and to purchase a new building for the Indian-Mongolian joint school in Ulaanbaatar, which India agreed to do. The approximate cost to the GOI will be \$1 million. Until this month, the school covered grades 8-12 only. With the agreement now in place, the school has mustered its first class of first graders and will continue to do so in coming years until grades 1-12 are filled out, with peak enrollment projected to be 640 students. By comparison, the International School of Ulaanbaatar has a K-12 student body population of approximately 250.

¶5. (SBU) India will also expand a program in which Mongolian students visit India for periods of two weeks to six months to engage in focused study of information technology, English, engineering, and other subjects. India has doubled these exchanges to 120 per year. Some Mongolians have noted to us that India's student visa requirements are less onerous than those of the United States and other more developed countries.

¶6. (SBU) Ganbold said the GOM is seeking that information technology figure prominently in educational exchanges -- specifically that such exchanges provide the seed human capital and infrastructure investments that can grow IT parks, software firms, and outsourcing to Mongolia. He said the Indians responded positively to Mongolian plans to partner with India to this end and that the two sides may integrate such plans into a memorandum of understanding that is intended to cap the bilateral talks to take place in Delhi in December (see para 7).

COMMERCIAL ENGAGEMENT AND URANIUM

¶7. (SBU) Ganbold stated the two sides agreed to convene an "intergovernmental economic committee" in Delhi in December. The meetings will focus on ways to open up trade, investment, and agriculture cooperation. A similar session was held in Ulaanbaatar in the past but was "still modest," according to Ganbold, and that both sides are seeking to expand the significance and scope of the exchange. Ganbold said Education, Culture and Science Minister Otgonbayar will head the Mongolian delegation in December.

¶8. (C) Ganbold also discussed the MOU Mongolia signed to work toward supplying uranium to India. Ganbold described this as a "framework document" designed to clarify intent but not to specify how such sales will be carried out (whether through Indians who will operate mines in Mongolia or through third countries that will extract uranium). At a separate event late last week, the Indian Charge d'Affairs in Ulaanbaatar told Econoff that he did not expect any of these specific decisions to be made soon, but that he had already been contacted by the Russian Embassy to discuss possibilities for exporting Mongolian uranium to Russia for processing and later re-export to India.

¶9. (C) Ganbold stated the Indians approached the Mongolians with plans to work together on civil nuclear energy cooperation. India is aware that Mongolia's coal power plants are aging, too few in number, and in need of upgrades, and that Mongolia possesses some six percent of the world's uranium. The GOI has therefore invited Mongolians to India on study programs that provide the full range of expertise required to develop a nuclear energy industry in Mongolia, from uranium exploration and extraction to nuclear reactor design. When asked how soon Mongolia might be in a position to produce nuclear energy, he said at least 15 or 20 years would be necessary.

¶10. (C) Comment: Mongolia-India diplomatic relations date

back nearly 55 years and have been particularly robust in Mongolia's democratic era, thanks largely to extensive historical and cultural ties, particularly through the link of Buddhism. The departing Indian Ambassador to Mongolia, Yogeshwar Varma, was heavily engaged in broadening the relationship. One of his predecessors, the late Ambassador Bakula, established a Buddhist monastery and meditation center adjacent to the historic Gandan Monastery in downtown Ulaanbaatar. The two sides are seeking to expand the commercial side of the relationship, in particular through the lens of uranium. The educational aspect of this latest visit, with its IT and English focus, is geared toward eventual expansion of commercial relations. Ganbold indicated the two sides will leverage the upcoming 55th anniversary to arrange additional visits and conferences to promote educational and commercial links. End Comment.

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